

LED + PORT/PLAN 72889

Audit's

MARKET ANALYSIS OF REITS AND REAL ESTATE COMPANIES

LED-RSR 72889

Mgmt. 1-Moe

Realty Stock Review

JULY 28, 1989 (Priced July 26)

Volume XX, Number 14

Market Trends: New Total Return Tool Added to Selector

We've added a Total Return column to Portfolio Selector on page 2—a statistic we believe will sharpen individual stock selection.

Total Return is a bottom line measure of how well a stock has done in combined price change and dividends paid over the preceding 12 months. Being factual, it isn't affected by projections or other subjective factors.

You can use Total Return in several ways:

—To decide whether to buy a low dividend stock. Examples:

Chicago Dock & Canal Trust, owner of a major land assemblage in center city Chicago, for instance, currently yields only 1.0%, lowest-yielding REIT in our stable income/growth group on Page 2. An investor holding DOCKS seeks to trade low yield for super-fast growth in underlying asset value. Yet DOCKS' stock price has fallen 4% the past year, resulting in a negative 3% Total Return. The stock market is saying that DOCKS' underlying asset growth hasn't kept pace with other equity REITs.

The flip side: **Federal Nat. Mtg. Assn.** (or FNMA), a quasi-government national mortgage marketing company, yields 1.3% currently, yet its Total Return is 117.9%, because the market sees fundamental structural changes that magnify benefits from lower interest rates.

—To decide whether high-yielding stocks carry risk of price decline. **Mortgage & Realty Trust**, for instance, a solid experienced mortgage REIT, yields 11.4% at current market price, yet the data show MRT with only a real 6.8% Total Return (i.e., the \$1.99 dividends paid the past year has been offset by \$0.75 price decline). Lesson: high yield may be illusory.

—To measure potential in aggressive

recovery stocks. We've moved five stocks into the Aggressive Recovery group (see p. 3 for details). The real risk in this group is that you may buy into a stock too soon before recovery is firmly established. One way to avoid getting in too early: Look for positive 12-month Total Return. For instance, only four in the group (Fairfield Communities, MONY Real Estate, Property Trust of Amer., and Sizeler Property Inv.) have positive Total Returns. The other 14 stocks are down.

Two other changes in Selector: Stocks are listed by investment goal, and the number of groups is reduced to five. We hope these changes will make Portfolio Selector more useful to you. Let us hear from you.

The market remains extremely hostile to realty stocks. Word comes that short-sellers have doubled the number of short sales in **Rouse Co.**, the premier national mall shopping center and community developer. We don't agree but time will tell. The most visible downer came in shares of **Healthvest**, a leaseback medical REIT. HVT shares plunged 23% during the July 28 week after its sponsor, **Healthcare International (HII:ASE)**, reported experiencing "significant negative

cash flow". HII said it may experience difficulty in meeting debt and lease obligations; its two top officers resigned. HII owes over \$400 mil. to HVT, about 72% being leasebacks, the rest loans. The market appears to be pricing HVT as if HII had already gone into Ch. XI bankruptcy; we think HVT's assets are worth over \$11—but realization may take time. Go slow here; Rank is cut to C.

The good news is that seasoned equity REITs and investment builders still can raise money in this hostile stock market. Three REITs sold new stock the past month, bringing new equity raised by seasoned REITs to \$347.6 mil. so far this year. Eight REITs have sold new shares in 1989 and **American Health Properties** is near selling a block at press time. Most are raising capital at 7%-8% effective cost and hope to get 9.5%-10.5% when cash is invested. The latest fund raisers:

Koger Equity sold 3.0 mil. shs. at \$19.63 on June 26, raising \$58.9 mil.; **Bradley Real Estate** sold 750,000 new shares at \$13 on June 30, raising \$9.75 mil. gross. This was BRLYS' first offering since the 1960s; **United Dominion Realty Trust** sold 2.5 mil. shs. July 21 at \$17.75 to raise \$44.4 mil. gross.

IN THIS ISSUE

Market Strategy & Selection Issue

New Total Return Tool Added to Portfolio Selector 1

Departments Inside

Portfolio Selector 2
Portfolio Changes & Limit Changes for Portfolio Selector Stocks 3
Appraised Asset Values 3
Comparative Realty Stock Statistics 6-8
Group Action Summary 8

Stock Comments and News

B.B. Real Estate Invest. 3
Bradley Real Estate Trust 1
California REIT 3
Chicago Dock & Canal 1

Copley Properties 2
Federal National Mtg. Assn. 1
HRE Properties 3
Healthvest 1
ICM Property Investors 3
Koger Equity Inc. 1
Lomas Financial Corp. 3
Meditrust 3
Mortgage & Realty Trust 1
Property Trust of America 3
Rouse Co. 1
Sizeler Property Investors 3
Unicorp American Corp. 3
United Dominion Realty Trust 1
Wells Fargo Mtg. & Equity 3

STOCK RANKING REVIEWS

CalFed Income Partners L.P. 4
EQK Green Acres L.P. 4
Equitable REst. Shopping Ctr.L.P. 5
Fine Homes Intl. L.P. 5

NOW AVAILABLE: Our revised brochure describing Audit's money management services. Our companion service **REALTY STOCK DIGEST** contains complete EPS, dividend and news reports on 250 realty stocks. Subscribers may call toll free 1-800-441-8414 or write for a free sample copy.

Portfolio Selector of Stocks For Investment Goals

We list below stocks we believe are currently usable in your portfolio. They are grouped into five major categories reflecting broad investment goals, so you can match property and regional characteristics to your specific needs. Purchases should be made at or below prices

listed in the "Limit" column at right. Stocks currently selling above our suggested limits are marked with an "*" and should be bought only on declines. Total return (price change plus dividend) for the last 12 months is also shown for guidance in individual stock selection.

Selector also lists REALTY STOCK REVIEW's exclusive Ranking of each stock; the major property type in its portfolio or business; and geographic area in which it operates. We continue to have a bias toward seasoned shopping center REITs in the Northeast and Southeast.

Portfolio Selector List of Realty Stocks for Current Investment

Stock (RSR Review)	RSR Rank	Prop. Type	Prop. Region	12 Mon. Tot.Ret.	Current Advice/Limit	Stock (RSR Review)	RSR Rank	Prop. Type	Prop. Region	12 Mon. Tot.Ret.	Current Advice/Limit
STABLE INCOME WITH ASSET VALUE GROWTH Seasoned Equity REITs and Income Property Owners						AGGRESSIVE RECOVERY/TAKEOVER CANDIDATES/LIQUIDATIONS Speculative yield, Uncertain Outcome, High Price Volatility					
Bradley Rl. (7/8/8)	A	SC	MW	+12.2%	Buy to 13.50# (Z)	Calif. Rl. Est. (12/23/8)	NR	OFF/SC	CA, AZ	-14.5%	Buy to 4 (z)
BRE Props. (7/8/8)	A	APT/SC	CA, WA	+5.2	Buy to 31	CleveTrust (8/12/8)	C	OFF/SC	SW	-32.4	Buy to 5#
Burnham Pac. (4/21/9)	B	SC/OFF	CA	+13.0	Buy to 20#	Copley Prop. (6/23/9)	B	IND	W	-11.1	Buy to 16
Chicago Dock (3/10/9)	B	LAND	IL	-3.0	Hold/Buy to 26	Duke Rlty. (10/28/8)	B	OFF/IND	IN, OH	-9.3	Buy to 5.50
Cousins Prop. (3/10/9)	A	LAND/OFF	GA	+14.0	Hold/Buy to 20	Fairfield Comm. (3/10/9)	C	LAND	SE/SW	+15.2	Buy to 7
Dial REIT (9/23/8)	NR	SC	MW	+19.2	Buy to 19#	HMG/Courtland (10/28/8)	C	OFF/LAND	SE/SW	-29.7	Buy to 11
Federal Rl. (4/21/9)	A	SC	NE	+26.2	Buy to 24.50#	Hlth. Care REIT (6/14/9)	B	MED	MW	-0.9	Buy to 14.50#
First Union (4/21/9)	A	SC/OFF	NAT	+6.3	Buy to 20	Hotel Inv. (12/23/8)	C	HOT	NAT	-28.1	Buy to 10
HRE Props. (4/21/9)	A	SC/OFF	NAT	+3.4	Buy to 23#	ICM Prop. (6/23/9)	B	OFF	NAT	-14.0	Buy to 9
IRT Prop. (4/21/9)	A	SC	SE	+12.7	Buy to 15	Lomas Fincl. (2/10/9)	B	MTG/DIV	NAT	-44.4	Hold/Buy to 9
Intl. Income (4/28/9)	A	SC	NAT	+8.0	Hold/Buy to 14#	MGI Props. (7/8/8)	A	APT/OFF	SE/MW	-11.1	Buy to 15#
Koger Eq. (3/10/9)	NR	OFF	SE	+9.2	Buy to 20#	MONY Real Est. (5/13/8)	B	IND/SC	NAT	+27.2	Buy to 8.50/Liq.
New Plan Rlty (4/21/9)	A	SC	NE	+31.6	Buy to 17#	*Nat. Income Rl. (7/14/9)	NR	MTG	NAT	-44.6	Buy to 4
Penn. REIT (4/28/9)	A	SC/APT	NE	+16.0	Buy to 24	*Nat. Rl. LP (7/14/9)	C	APT/SC	SW/MW	-34.8	Buy to 9#
REIT of Cal. (3/11/8)	A	SC/OFF	CA	+3.5	Buy to 16#	Prop. Tr. Am. (7/8/8 & 7/28/9)	A	SC/APT	TX, CO	+22.0	Buy to 10#
Santa Anita (4/28/9)	A	SC/RACE	CA	+5.9	Hold/Buy to 31	Sizeler Inv. (7/8/8 & 7/28/9)	B	SC	LA	+4.0	Buy to 16#
Utd. Dom. (4/21/9)	A	APT	VA, NC	+9.6	Buy to 19	SW Rlty. (12/9/8 & 1/27/9)	D	APT	TX	-41.7	Buy plds. (PSE)
Washington REIT (4/21/9)	A	OFF/APT	DC	+25.1	Hold/Buy to 20#	U.S. Home (5/17/9)	C	HSG	NAT	-38.1	Hold/buy to 2#
Weingarten Rl. (4/21/9)	A	SC	TX	+17.6	Buy to 28#	GROUP				-15.5%	
Western Inv. RE (4/21/9)	A	SC	CA	+11.4	Buy to 19#						
GROUP				+11.5%							
HIGHER INCOME, LOWER GROWTH & INTEREST RISKS Mortgage Finance, Fixed & Participating Mortgage REITs, Leaseback REITs						LONG TERM GROWTH VIA VALUE CREATION/RATE RISKS/PRICE VOLATILITY Land & Income Property Developers, Homebuilders					
BRT Realty (2/10/9)	B	APT/COM	NE	-0.1	Hold/Buy to 17	Amrep Corp. (3/10/9)	C	LAND	NM	+6.8%	Buy to 10
Eastgroup Pr. (12/9/8)	B	OFF/SC	NAT	+9.7	Buy to 23	Centex Corp. (5/17/9)	A	HSG/MTLS	NAT	+42.7	Buy to 37#
Fed. Nat. Mtg. (2/10/9)	A	MTG	NAT	+117.9	Buy to 90#	*Fine Homes (7/28/9)	C	HSG	NAT	+14.8	Buy to 16
Health Care Pr. (6/14/9)	A	MED	NAT	+28.4	Buy to 29#	Genl. Dev. (3/10/9)	C	LAND/HSG	FL	+6.9	Hold/Buy to 14#
MSA Rlty. (7/8/8 & 2/24/9)	C	SC	MW	+17.5	Buy to 8 #	Hovnanian Ent. (5/17/9)	B	HSG	NJ, FL	+18.1	Hold/Buy to 11
Mellon PMT (2/10/9)	C	SC	NAT	+2.6	Buy to 8	Inter. Genl. LP (1/13 & 2/24/9)	B	LAND/APT	MD, PR	+5.5	Buy to 8.50
Mtg. & Rlty. (2/10/9)	B	DIV	NAT	+6.8	Buy to 18	K&B Home (5/17/9)	A	HSG/CMCL	CA, FR	+116.8	Hold/Buy to 17#
Mtg. Inv. Plus (12/23/8)	B	OFF	CA	+3.7	Buy to 8	Leisure Tech. (5/26/9)	C	RET/HSG	CA, NJ	+8.3	Hold/Buy to 5#
Presidential Rl. (11/25/8)	B	APT	NE	+2.5	Buy to 12#	Lennar Corp. (5/17/9)	A	HSG	FL	+30.0	Hold/Buy to 22#
Rock Ctr. Prop. (12/23/8)	B	OFF	NY	+11.5	Buy to 21	Major Rlty. (11/18 & 25/8)	C	LND/CMCL	FL	+43.1	(Z)
Univ. Hlth. Rl. (6/14/9)	A	MED	NAT	+28.8	Buy to 13#	Newhall Land (1/13/9)	A	LAND	CA	+78.4	Buy 55#
GROUP				+36.0%		Oriole Home (5/26/9)	B	HSG	FL	+7.8	Hold/Buy to 12#
						Ryland Gr. (5/17/9)	A	HSG/MTG	NAT	+34.5	Hold/Buy to 21#
						Std. Pacific LP (5/17/9)	A	HSG	CA	+101.7	Buy to 18#
						GROUP				+43.6%	
FASTER GROWTH, DEVELOPMENT RISKS PLUS PRICE VOLATILITY Investment Builders, Income Property Owners, & Equity MLPs						All Stocks Except Recovery					
*EQK Green Ac. LP (7/28/9)	A	SC	NY	+15.4	Buy to 13	S&P 500				+25.1%	
*Equit. RE Sh. LP (7/28/9)	C	SC	MI, MN	+11.9	Buy to 10					+33.8%	
Forest City (3/10/9)	B	SC/OFF	NAT	+64.9	Buy to 55#	DELETED: Meditrust; Unicorp Amer.; Wells Fargo Mtg.					
Gould LP (1/9/7)	B	OFF/APT	NE	+19.0	Hold/Buy to 55#	Property types: APT=Apartment; CMCL=Commercial; DIV=Diversified; HOT=Hotel/Motoring;					
Koger Prop. (3/10/9)	A	OFF	SE	+4.2	Buy to 28	HSG=Housing; IND=Industrial; LAND=Land Devel.; MTL=Motels; MTG=Mortgage; OFF=Office; RACE=Race					
Perini Inv. (3/24/9)	B	OFF/IND	NAT	+8.4	Buy to 17#	track; RET HSG=Retirement housing; SC=Shopping Center; S&L=Savings & loan.					
Rouse Co. (3/10/9)	A	SC/LAND	NAT	+28.2	Buy to 29	Property locations: NE=Northeast; SE=Southeast; SW=Southwest; MW=Midwest; W=West; NAT=National.					
*Shopco Lau. LP (7/14/9)	C	SC	MD	+17.1	Buy to 10	States are Postal Service code.					
GROUP				+24.8%		Buy limits are approx. maximum purchase prices at publication date. Additions or changes underlined;					
						Review with comment dates in paren. Reviewed in July, issues. # Stock selling above limit price.					
						z-Audit affiliate involved in pending or recent transaction.					

Realty Stock Review

AUDIT INVESTMENTS, INC., 136 SUMMIT AVENUE, MONTVALE, NJ 07645-1720 Phone (201) 358-2735
KENNETH D. CAMPBELL, EXEC. EDITOR/ FAYE KREISMAN, STATISTICS/ MICHAEL HOUSTON, ANALYST.

SUBSCRIPTION \$288 ANNUALLY. PUBLISHED TWICE MONTHLY ON THE SECOND AND FOURTH FRIDAYS. GROUP RATES ON REQUEST

REALTY STOCK REVIEW is published by Audit Investments Inc., an independent advisor registered with the Securities and Exchange Commission under the Investment Adviser's Act of 1940. Under no circumstances is anything contained herein to be construed as an offer to purchase or a solicitation to sell any security mentioned. Information has been obtained from sources believed to be reliable and reasonable care has been exercised in compilation, but accuracy or completeness cannot be guaranteed. Expressions of opinion are solely the responsibility of the publisher and may be changed at any time without notice. Periodical advisory services are mailed to reach subscribers no later than the Monday following publication date. Audit's officers, employees and printers are not permitted to trade upon any recommendation until the Tuesday following. Investment management clients of Audit may be effecting transactions in the securities at any time. Audit will not assign subscriptions without your consent and unused portion refunded upon request. Copyright 1989 by Audit Investments, Inc. May not be reproduced or photographed in any form without written permission.

We've made the following changes to Portfolio Selector on page 2 and to our stock Rankings on pages 6-8:

B.B. Real Estate Investment, equity REIT owning Calif. and Phoenix properties, is replaced by California REIT (CT: NYSE) after BB shares were exchanged for 0.9 shares of California REIT July 18. We continue CT shares in our Recovery category. Commonwealth Equity Trust owns 77.5% of the combined entity; CET is a \$400 mil. asset REIT whose shares are traded only in Calif. and previously won control of BB via a tender offer. Audit's investment banking affiliate advised CT trustees in the merger.

Wells Fargo Mtg. & Equity, West Coast REIT advised by the bank holding company, is removed from Selector after holders okayed a liquidation plan June 26, letting WFM sell all assets as soon as possible. Kohl Co., a private realty developer, is buying all equity properties and Wells Fargo & Co. will buy mortgages. WFM estimated liquidation proceeds at \$19.50-\$20.25/sh., and with shares now over \$19, attraction is gone.

Unicorp American Corp. is removed from the Financial Services group. Once devoted to property ownership, UAC has received a proposal to sell a Manhattan savings bank, acquired last year, to its 74% owner, Unicorp Canada, for \$4.50/sh. cash. If approved, UAC would sell its real estate properties and liquidate.

Meditrust, leaseback and mortgage health care REIT, is deleted because we're worried by the market's punishment of Healthvest (see p. 1) when liquidity problems surfaced at its major lessee. MT just defeated an effort by Avon Products, Inc. to sell Mediplex Group, MT's major lessee, to a private company (see RSR, June 13). The deal's collapse means Avon will have to look for a new and hopefully stronger buyer for Mediplex. We prefer to wait on the sidelines.

We're switching five stocks to our Aggressive Recovery category to reflect their current role in portfolio planning. **Property Trust of America** and **Sizeler Property Investors**, two equity REITs, move because both own predominantly Oil Patch properties which impart a recovery aspect to future CFS and dividends. Sizeler owns about 9.9% of PTR and has proposed acquiring PTR for \$11/sh. PTR has refused. Both are buys as noted.

ICM Property Investors and **Copley Properties**, two REITs which invest in participating developmental mortgages, switch to Recovery status to reflect recent dividend cuts. ICM, an office building specialist, cut dividend 66% to a \$0.48/sh. annual rate July 18, a much deeper cut than we'd expected in our June 23 review. But ICM cash flow is running \$0.20-\$0.21/sh. quarterly, and a careful reading of ICM's release indicates it wants to match cash flow and payout. With \$0.34 paid in the March qtr., the new rate would equal \$0.72 for 1989. If property pressures ease early next year, we think recovery near the \$0.80 annual rate is possible.

Copley, specialist in industrial properties, cut in similar fashion in June, by 14% to \$1.44 annual rate. No need to hurry in averaging down for either, altho we still see higher asset values in both, \$13 and \$23 respectively.

Lomas Financial Corp. also joins the Recovery group after adding, as expected, \$253 mil. to reserves to cover losses in its mortgage banking and real estate development operations. After booking gains on selling its credit card and leasing units, financial services giant LFC will lose \$202 mil. or \$6.75/sh. in its June 1989 fiscal year. LFC hopes to return to profitability in 1990. Other news:

Kimco Development Corp., Long Island shopping center developer, hired an investment banker, Wertheim Schroder & Co., to advise regarding investment and possible additional investment in HRE

Properties. HRE previously rejected Kimco's offer to acquire HRE for \$27/sh. Kimco owns about 8.6% of HRE.

Ranking changes are made for **EQK Green Acres**, **Equitable Shopping Centers**, and **Shopco Laurel Centers**, as per Ranking reviews this month. We've also reduced Rank for **Healthvest**, as noted on page 1, and for troubled financial services company **Integrated Resources**.

APPRAISED ASSET VALUE COMPARISONS

	DATE	APPRAISED VALUE/ SHARE	% PRICE TO APP. VALUE
QUALIFIED REITS			
ANGELL REAL EST#	3/89	\$16.04	-31.4%
BRE PROPERTIES #	7/88	\$35.50	-14.4%
BURNHAM PAC PROP#	12/88	\$18.50b	7.4%
CEDAR INC FUND I#	12/88	\$ 8.63	-39.2%
COPLEY PROPS #	12/88	\$23.37	-35.8%
DUKE RLTY INVST #	12/88	\$ 8.44	-34.8%
FEDERAL REALTY#	12/88	\$21.50b	15.1%
FIRST UNION RE#	12/88	\$26.25b	-24.8%
GRUB&ELLS REIT	12/88	\$ 9.36	-27.9%
HRE PROPERTIES #	10/88	\$27.50b	-17.7%
INTL. INCOME PR#	12/88	\$19.17	-24.4%
IRT PROPERTY CO#	12/88	\$16.00b	-7.8%
MSA REALTY CORP #	12/88	\$13.05	-28.2%
NEW PLAN RLY TR#	7/88	\$16.27	9.1%
PENN REIT#	8/88	\$26.00b	-9.6%
PRU RL CAPITAL #	12/88	\$ 2.43	-53.7%
SANTA ANITA	12/88	\$27.82	7.8%
SIERA CAP RLY IV#	12/88	\$ 8.00	-37.5%
SIERA CAP RLY VI#	12/88	\$ 8.82	-34.8%
SIERRA RE EQ83#	12/87	\$10.11	-28.3%
SIERRA RE EQ84#	12/87	\$ 8.40	-46.4%
TRAML CROW REI#	12/88	\$11.46	-45.5%
USP RL EST INV#	12/88	\$ 9.44	-25.8%
UTD DOMIN RLY#	12/88	\$20.50b	-12.8%
WASH RE (WRIT)#	12/88	\$17.00b	19.9%
WEINGARTEN RLY#	12/88	\$23.00b	33.2%
WESTERN INV RE#	12/88	\$19.00b	5.3%
AVERAGE			-17.9%
OPERATING COMPANIES			
BAY FINCL CORP	5/88	\$26.02	-65.4%
EQK GRN ACRES LP#	12/88	\$13.93	-10.3%
EQUITABLE RE SC #	12/88	\$10.22	-16.8%
FORUM RET PFD UN#	12/88	\$11.08	-60.5%
LA QUINTA MTR IN#	12/88	\$15.75b	-37.3%
MAJOR REALTY	9/87	\$22.00	-41.5%
MONY RL EST INV	5/88	\$10.34a	-19.0%
NATIONAL REALTY	12/88	\$26.00b	-67.8%
NEWHALL LAND	12/88	\$48.48	39.7%
PERINI INV PR#	3/89	\$26.09	-29.1%
PRIME MTR INN LP#	12/88	\$20.90b	-27.0%
RED LIONS INNS #	12/88	\$17.00b	0.7%
ROUSE CO#	12/88	\$30.65	-7.8%
SHOPCO LAURL CTR#	12/88	\$11.40	-13.4%
SOUTHWEST RLTY#	2/89	\$ 3.70	-76.4%
AVERAGE			-28.8%

Appraised market values of net assets (i.e., properties held) are reported publicly by companies. Values are estimated by management and concurred in by independent appraisers except for: New Plan Realty, management estimate only. Share values are fully diluted. a-Entity has not revalued mortgages. b-Estimated by RSR; not confirmed by Trust.

CAL FED INCOME PARTNERS L.P. (CFI:NYSE) RANK C

CFI holds \$253 mil. in income-producing properties thru-out the U.S. CFI completed investing proceeds from its Sept. 1986 initial offering only in Nov. 1988, ending with holdings 58% (at cost) shopping centers with 1.1 mil. sq. ft.; 29% apartments with 1,217 dwelling units; and 22% office with 341,000 sq.ft. Properties are located 50% Calif. (Los Angeles and Oakland met areas); 25% Ft.Lauderdale, Fla. area; 13% Atlanta; 12% Seattle. CFI has held payout level at \$1.00 rate during this investment period. Sponsor CalFed Inc. (CAL:NYSE), \$27.5 bil. Calif. S&L holding company, owns 11.2% of units. We Rank units C.

Gut Issue: Could CFI's dividend be vulnerable now that it's fully invested in properties? CFI's dividend has no guaranteed sponsor suport but has been maintained by paying \$3.4 mil. incentive management fees in new units at an average \$6.56/unit and accreting interest on \$38 mil. zero coupon financing. Operating cash flow as defined by Audit came in at \$0.68/un. in 1988. The \$1.00 payout was maintained by borrowings and/or payment deferrals to CAL. Two concerns:

CFI borrowings from sponsor CAL have a short fuse, with the \$56.2 mil. revolving credit due Dec. 1990. Worse, extension seems unlikely since S&Ls are bracing for much tougher capital requirements when Congress finalizes the new S&L bill. CFI owes its sponsor a total \$90.4 mil. including \$18 mil. zero coupon mortgages; \$16.4 mil. start-up financing including accrued interest; and the revolving credit. CFI is mortgaging properties with third-party lenders to cut debt to CAL.

Soggy property markets are hurting some holdings. Hacienda

EOK GREEN ACRES L.P. (EGA:NYSE) RANK A

EGA owns a net 1.24 mil. sq. ft. at Green Acres Mall on Sunrise Hwy. in Valley Stream and Hempstead, L.I. about one mile from the New York City line. EGA's holdings include 464,862 sq.ft. of high-rental mall retail shops; a net 166,500 SF outparcels; and 610,000 SF space leased to anchor department stores at \$2-\$5/SF. EGA has enjoyed strong cash flow and dividend gains since its Aug. 1986 offering and appraised current value has risen nearly 40% to \$13.93/un. Unitholders voted in Nov. 1988, to extend EGA's holding period for the mall until Feb. 28, 2000, so management can enhance long-term values, mainly by expanding with an 180,000 SF adjoining convenience center. We are raising Rank to A.

Gut Issue: Can EGA continue to boost CFS and payout into a recession? Retail sales, rents and distributions by EGA have all far exceeded expectations and projections made in its offering prospectus. Mall store sales jumped 5.9% to \$350/SF in 1988, putting EGA shops well above national averages in a year widely perceived as difficult for retailers. March qtr. rents were strong.

The increasing likelihood of recession late this year could affect sales and moderately dampen cash flow and payout growth, but the strong 1989 start indicates EGA's mall tenants can hold their own in all but deep recession this year. EGA should come out of a "soft landing" relatively unscathed.

Expansion. In the March quarter EGA entered a long-term lease for a 177,000 sq. ft. industrial building on a ten-acre parcel adjoining the Mall. EGA will convert the property into a convenience center with large supermarket, home improvement center, and smaller convenience shops. Agreements in principle have been reached with two large anchor tenants. The project, which still requires zoning approval, should open by late 1990 if all goes well.

Current asset value: EGA's annual, year-end independent

Business Park in Pleasanton, CA (near Oakland) is seeking a tenant to replace 47,000 SF vacated by AT&T, which will cost approx. \$0.01-02/un. per year. CFI says it will be difficult to match the previous \$10.90/SF rents. Occupancy has slipped 5%-6% to about 90% at three Seattle area apartments with 557 DU. Overall CFI occupancies are 92% for shopping centers, 89% for apartments, and 78% for offices at March 1989.

Current asset value: We think CFI's adjusted book value of \$7.61/un. serves as a good proxy for current value, since CFI hasn't owned its properties long enough for meaningful appreciation.

Advice: Avoid units until the dividend picture comes into focus. Tax-motivated investors may consider holding the units since payout should be taxfree return of capital. Substantially all the 1989 distribution is expected to constitute passive loss recoverable only from CFI's future passive income (if any). (KDC)

CFI:NYSE RANK C Dec. years 13.02 mil. un.						
Price: \$7.38 Div. \$1.00 Yld. 13.5% Price/CFU: 10.9X						
Year	EPS	CFU	Div.	High	Low	Yld.Range
1986	0.03a	0.09a	0.08	10.88	9.88	NM %
1987	0.19	0.84	1.00	10.75	6.00	16.7- 9.3
1988	0.21	0.68	1.00	8.25	6.13	16.3-12.1
1989E	NE	0.70	1.00	8.00	6.75	14.8-12.5z
a-Began oper. Sept. 22. z-To date.						
Finances 3/89 (Mil.\$): Debt: \$152.9M; Ltd.Partners capital: \$91.9M; Deprc. \$6.8M;						
Equity + depr.: \$76.1/un. Debt/equity ratio: 1.7-1.						
Address: 5670 Wilshire, Suite 940, Los Angeles, Cal. 90036. (213) 932-4928.						

appraisal of Green Acres Mall placed its value at \$218.3 mil. and net liquidating value at \$13.93/un. at the end of 1988, net of zero-coupon debt and sale costs. But this value effectively caps EGA's net operating income at 7.0%; with many malls changing hands today at 5-5.5% cap rates, sense that true value may be closer \$17.50-\$20/unit. That estimate allows for zero-coupon notes accreting at 10.4% until Feb. 1995. Accretion provides about 42% of cash flow/unit.

EGA's Green Acres Mall is anchored by Sears Roebuck, which owns its building subject to a ground lease; J.C. Penney; Stern's (division of Allied Stores, Inc.); and Abraham & Straus (division of Campeau Corp., which also controls Allied). Mall and outparcels are 99.2% leased and relatively few leases roll over until 1993.

Advice: Buy units. There is more than enough value to cover the zero notes. All but \$0.02-\$0.03 of distributions is tax sheltered return of capital. EGA has boosted payout eight straight quarters now to \$1.22 annual rate. EGA's original growth projections were based on a flattening sales curve, but instead sales have risen more rapidly than projected. Threat of competition is almost nil. We retain in Portfolio Selector. (MJH/KDC)

EGA-NYSE RANK A		Dec. years		10.17 mil. units.		
Price: \$12.63		Div. \$1.25		Yld. 9.9%		Price/CFU: 10.0X
Year	Op.EPU	CFU	Div.	High	Low	Yld.Range
1986	\$0.088	\$0.342	\$0.325	\$11.25	\$9.75	2.9-3.3
1987	0.352	1.118	1.0675	11.75	7.50	9.1-14.2
1988	0.40	1.254	1.18	13.50	10.50	8.7-11.2
1989E	0.45	1.30	1.26	13.13	11.38z	

z-To date. CFU incl. interest accretion on zero-coupon debt

Finances 3/89 (Mil.\$): Debt: \$60.7M; Equity: \$76.0M; Accum. deprec: \$7.2M; Equity plus depr.: \$8.18/unit. Debt/Equity ratio: 0.73-1.

Address: 3 Bala Plaza E., Box 1565, Bala Cynwyd, PA 19004. (215) 667-2300.

EQUITABLE REAL ESTATE SHOPPING CENTER L.P. (EQM:NYSE) RANK C

EQM is a master limited partnership that owns interests in two enclosed regional shopping malls: Brookdale, a 990,000 sq.ft. mall northwest of Minneapolis (where EQM owns 214,500 SF mall space and anchors own or lease the rest); and Northvale, 1.65 mil. SF mall in the Detroit suburb of Southfield (where EQM owns 466,600 SF mall space and 34,450 SF outparcels). EQM properties are managed by a unit of Equitable Life Assurance. EQM plans selling its properties and liquidating in 1995. We give an initial C Ranking.

Gut Issue: With sales at both malls trailing the inflation rate, will the impending recession crimp cash flow and dividend gains? Merchants turned in 1.8% and 0.4% sales gains at Brookdale and Northland to \$245 and \$225/SF, respectively, in 1988. Both gains trail the 4.5% inflation rate. But 1989 has started off much better, with the centers chalking up sales gains of 5% and 6% respectively at latest report. Brookdale occupancy remains strong at 99.9% but Northland's 92.4% occupancy gives room for growth. With a shallow recession expected, we doubt that EQM's growth path will be interrupted in any meaningful way.

Cash flow exceeds projections. Slow sales notwithstanding, EQM is ahead of initial-offer projections due to lower management and administrative expenses. Operating cash flow of \$1.06/un. last year topped projections by 4.4% and the \$1.04 annual distribution rate is ahead of schedule. Cash flow is 42% (or \$0.44/un.) derived from zero-mortgage accretion. If full-year 1989 sales are as good as recent results, we'd expect another quarterly distribution increase to about a \$1.08/unit annual rate around the Mar. 1990 quarter.

Current asset value: We compute EQM's current asset value at \$10.22/unit, after adjusting Dec. 1988 appraisals for the general partner's 1% net interest. Independent appraisers valued the two centers at \$155 mil., up 14% since the Dec. 1986 acquisition price and subsequent capital improvements. Put another way, net value has increased \$20.5

mil., offset by \$9 mil. gain in accreted zero-mortgage interest, or \$1.06/un. gain over the \$9.16 initial value of limited partnership (LP) units.

But this value may be understated: The appraised value implies that 1988 net operating income (rentals minus direct property expenses) are capitalized at 7.5%, whereas some recent enclosed malls have sold at 5%-5.5% cap rates. Given the competitive situation and sales track record, we doubt you can push EQM valuations that low but still think a sale today could add \$1-\$2/un. to appraised values. We also think EQM's estimated \$9.73/un. liquidating value in 1995 is on track.

Zero-mortgages: Like EQK Green Acres (above) and Shopco Laurel Shopping (RSR: July 14), EQM financed its malls with \$40.9 mil. of zero-coupon notes carrying a 10.2% accretion rate and worth \$95.2 mil. when they mature in Sept. 1995. With appraisals and cash flow both running ahead of projections, we don't see the zeros as a major deterrent for investors; holders essentially are getting to spend today some of EQM's future value.

Advice: We continue our buy recommendation as a yield and long-term growth vehicle. Units continue in Portfolio Selector on page 2. With 12% yield and a small capital gain at the end of the line in 1995, EQM is for long-term holders. Distributions are largely return of capital. We'd hold EQM in a package with other mall MLPs and REITs to diversify risk. (KDC)

EQM:NYSE	Rank: C	Dec. years	10.7 mil. units
Price: \$3.75	Div. \$1.04	Yield: 11.9%	Price/CFU: 8.0X
Op. EPS	CFU	Dist.	High Low Yield
1987	0.32	1.11	1.00 10.88 6.88 14.5-9.2%
1988	0.32	1.06	1.04 9.63 7.38 14.1-10.8%
1989E	NE	1.08	1.04 9.38 8.13z 12.8-11.1z
z-To date. CFU incl. interest accretion on zero-coupon debt.			
Finances 3/89 (Mil.\$): Debt: \$51.1M; LP Equity: \$81.2M; Accum. deprec.: \$6.4M;			
Equity + deprec.: \$8.19/un. Debt/equity ratio: 0.6-1.			
Address: 31 W. 52 St. NY, NY 10019. (212) 767-3400.			

FINE HOMES INTERNATIONAL L.P. (FHI:NYSE) RANK C

FHI combines the residential real estate brokerage and relocation services operating as Merrill Lynch Realty. Public limited partners own preference units for 26.5% of ownership, result of FHI's June 1987 initial public offering at \$18/un. The preference units receive \$2.25 annual dividend. Merrill Lynch retains 73.5% ownership with 21.6 mil. subordinated units which receive residual cash flow. We keep C Rank.

Gut Issue: Is FHI's near-15% yield too good to be true? As long as Merrill Lynch can't undercut payout by converting all its subordinated units, we think a cut is extremely remote. FHI came public intending to pay \$2.25/yr. to preference unit holders. FHI's distribution is not guaranteed by Merrill Lynch or anyone else.

Most investors seem to overlook that Merrill cannot quickly convert its 21.6 mil. subordinated units into higher paying preferred. Potential conversion is phased over four years and only 9.55 mil. units currently are eligible for conversion. Moreover Merrill can't undercut preference payout by converting unless cash flow covers 125% of the \$2.25 payout (i.e., about \$2.81/unit), altho cash flow now meets this test.

Cash flow coverage. There's a big gap between reported EPS (\$1.25 in 1988 and estimated \$0.90-\$1 for 1989) and operating cash flow (\$2.83/un. in 1988 including mortgage sale proceeds). We think cash flow may be off a bit for 1989, mainly because June qtr. EPS fell a steep 50% to \$0.35/un. Reasons: lower home sales, higher commission splits with agents, and higher operating costs in residential brokerage; lower sales in the relocation arm.

FHI's second half should pick up as retreating mortgage interest rates (which hit a two-year low last week) revive the flagging housing resale market. Housing resales rose 6% nationally in June to a 3.4 mil. annual rate, first monthly upturn since last Dec. Upshot: With

capitalization underweighted with preference shares and Merrill's conversion limited, yield looks secure for now.

Play on house price inflation. FHI represents a nearly pure play on house price inflation. Since 1984, unit volume of houses sold thru FHI brokers has risen 60% (to 144,000 home sales in 1988) and average house prices have risen over 50% (to \$177,000 in June). That means dollar value of home closings (on which FHI bases its brokerage commissions) have risen about 23% annually the past five years. We doubt that trend will change much the next 2-3 years.

FHI remains one of the nation's largest residential real estate brokers, and brokerage profits rose 21% to 25% of FHI income in 1988. FHI has 16,100 sales associates in 430 offices in 19 states under the Merrill Lynch Realty name.

Third-party relocation management services generate 75% of FHI profit, growing about 19% in 1988. FHI acts on behalf of corporate clients to facilitate employee relocations and may buy homes from transferees, making this a capital intensive segment sensitive to rates.

Advice: FHI's unique structure makes units a high-yield play. Buy for income. FHI is not a hard-asset play. (KDC)

FHI:NYSE	Rank C	Dec. years	29.4 mil. units
Price: \$15.25	Div. \$2.25	Yld. 14.7%	Price/CFU: 7.4X
Year	Op.EPU	Op.CFU	Div. High Low Yld.Range
1987b	\$(0.55)	\$(0.20)	\$1.1374a \$19.13 \$10.50 21-11.8%a
1988	1.25	2.04	2.25 16.00 9.75 23-14.1
1989E	0.90-1.00	1.75	2.25 16.00 14.13z 15.9-14z
a-Annualized yield for six mon. b-From 6/25/87. z-To date.			
Finances 3/89 (Mil.\$): Debt: \$400M; LP Equity \$160.2M equals \$5.72/LP unit.			
Debt/equity ratio: 2.4-1.			
Address: 10 Stamford Forum, Stamford, CT 06901. Phone (203) 356-1400.			

QUALIFIED REAL ESTATE INVESTMENT TRUSTS

RANK	NAME (REVIEW DATE)	EXCH/ SYMBOL	GROUP	SHARES (000)	BOOK VALUE	ANN DIV	-EARNINGS-- MON 12 MO	LAST PRICE	% CHANGE JUN 21	FROM JAN 1	P/E RATIO	% ANN YIELD	% FR TO BK	RETURN ON BKX	MKT VAL MIL \$
B	AMER HEALTH PROP# (06/14/89)	NY-AHE	2	11109	18.67	2.24 U	JUN 2.56 U	21.88	9.4	22.4	8.5	10.2	17.2	13.7	243.0
*	AMER SW MTG INVMT (01/27/89)	AS-ASR	4	14326	9.77	0.36 S	MAR 1.21	3.75X	-4.8	-54.5	3.1	9.6	-61.6	12.4	33.7
*	AMERICAN REALTY (02/10/89)	NY-ARE	4	21728	6.58	0.76 U	SEP 1.86	4.50X	10.4	0.0	2.4	16.9	-31.6	28.3	97.8
* F-ANGEL'S FING TRST		AS-ANF	4	1051	17.82	2.32 S	MAR 1.99 U	15.75X	2.5	7.7	7.9	14.7	-11.6	11.2	16.6
B	ANGELL REAL EST# (06/14/89)	NY-ACR	2	3622	13.30\$	1.52	MAR 1.70	11.00X	3.5	35.4	6.5	13.8	-17.3	12.8	39.8
C	ASSET INVESTORS (09/09/88)	NY-AIC	4	13892	14.73	1.00	JUN 1.48 D	8.63	-1.4	-23.3	5.8	11.6	-41.4	10.0	119.8
*	BODDIE-NOEL PROP#	AS-BNP	2	2850	11.40	1.36 S	MAR 1.35	12.50X	-4.0	-5.7	9.3	10.9	9.6	11.8	35.6
Z	BRADLEY RL EST # (07/08/88)	OC-BRLTS	1	4110	5.10	0.68	DEC 0.54	12.75	-6.4	-5.6	23.6	5.3	150.0	10.6	52.4
A	BRE PROPERTIES # (07/08/88)	NY-BRE	1	7878	19.57\$	2.40	APR 2.42 U	30.38	1.7	-1.2	12.6	7.9	55.2	12.4	239.3
B	BRT REALTY (02/10/89)	NY-BRT	4	7334	14.50	2.48	MAR 2.49	15.75	-1.6	-16.0	6.3	15.7	8.6	17.2	115.3
B	BURNHAM PAC PROP# (04/21/89)	AS-BPP	1	5860	14.58\$	1.36	MAR 1.35	19.88	4.6	6.0	14.7	6.8	36.3	9.3	116.5
B	P-CALIF JOCKEY CLUB (08/12/88)	AS-CJ	1	5773	4.35	0.95	MAR 0.72	17.50	-2.8	11.1	24.3	5.4	302.3	16.6	101.0
*	CALIFORNIA REI (03/11/88)	NY-CT	1	9059	7.11	0.40	MAR -0.03	4.13X	0.6	-28.3	0.0	9.7	-42.0	-0.4	37.4
* F-CEDAR INC FUND I#		OC-CEDR	1	1440	8.54\$	0.50	MAR 0.41	5.25	0.0	-22.2	12.8	9.5	-38.5	4.8	7.6
C	CENWILL INVSTR (02/10/89)	NY-CVI	3	6883	12.66	1.60	MAR 1.73	11.88	-1.0	-24.0	6.9	13.5	-6.2	13.7	81.7
B	CHICAGO DOCK&CANL (03/10/89)	OC-DOCKS	1	5784	6.34	0.24	JAN -0.16	24.00	-7.7	-6.3	0.0	1.0	278.5	-2.5	138.8
C	CLEVESTRUST RLTY # (08/12/88)	OC-CYRIS	1	1968	18.36	0.00	MAR 0.45	6.25	8.7	35.1	13.9	0.0	-66.0	2.5	12.3
*	COLUMBIA RS INVST (09/09/88)	AS-CIV	4	5510	9.33	0.88	MAR 0.91	7.25	0.0	9.4	8.0	12.1	-22.3	9.8	39.9
C	COPLY PROPS # (06/23/89)	AS-COP	3	4008	16.84\$	1.44 D	MAR 1.71	15.00X	-3.2	-13.7	8.8	9.6	-10.9	10.2	60.1
C	COUNTRYWIDE MTG (09/09/88)	NY-CWM	4	13645	8.11	0.56 D	JUN 0.80 D	3.13X	-4.3	-4.7	6.4	10.9	-36.8	9.9	69.9
A	COUSINS PROPS (03/10/89)	OC-COUS	1	17303	6.24	0.60	MAR 0.55	18.50	0.0	20.3	33.6	3.2	196.5	8.8	320.1
* F-CRI INS MTG II		NY-CII	4	8536	15.30	1.51	MAR 1.46	12.88	-6.4	-7.2	8.8	11.7	-15.8	9.5	109.9
*	DEL-VAL FINCL (10/28/88)	NY-DVL	4	3910	10.76	1.86	MAR 1.83	17.88X	4.5	7.5	9.8	10.4	66.1	17.0	69.9
* DIAL REIT INC #		OC-DEAL	1	3822	17.43	1.68	MAR 1.72	19.38	3.3	9.2	11.3	8.7	11.2	9.9	74.1
B	DUKE RLTY INVST # (10/28/88)	NY-DRE	1	8594	7.23\$	0.68	DEC 0.63	5.50	-2.2	-2.2	8.7	12.4	-23.9	8.7	47.3
B	EASTGROUP PROPS (12/09/88)	AS-EGP	1	2530	21.55	2.60	MAR 5.42	22.50X	-6.5	4.7	4.2	11.6	4.4	25.2	56.9
B	EASTOVER CORP (09/23/88)	OC-EASTS	3	1146	14.94	1.60	MAR 2.67	13.00	0.0	-13.3	4.9	12.3	-13.0	17.9	14.9
A	EMERALD MTG INVST (09/23/88)	NY-EIC	4	8750	9.49	0.00	MAR 1.10	3.75	-14.3	-52.4	3.4	0.0	-60.5	11.6	32.8
A	FEDERAL REALTY# (04/21/89)	NY-FRT	1	13896	10.18\$	1.40	MAR 1.57	24.75	2.1	17.2	15.8	5.7	143.1	15.4	343.9
* FIRST CONTINL REIT		OC-FCRS	4	5103	2.80	0.00	FEB -0.81	0.50	0.0	-20.0	0.0	0.0	-82.1	-28.9	2.6
A	FIRST UNION RS# (04/21/89)	NY-FUR	1	17683	8.89\$	1.50	JUN 1.47 S	19.75X	2.5	8.2	13.4	7.6	122.2	16.5	349.2
* GOLDEN CORRAL #		OC-GCRA	2	1480	9.34\$	1.00 S	MAR 1.09	8.25X	3.0	0.0	7.6	12.1	-11.7	11.7	12.2
C	F-GRUB&BILLS REIT (10/09/87)	OC-GRIT	5	2500	8.94\$	0.64 S	JUN 0.49 D	6.75	-3.6	5.9	13.8	9.5	-24.5	5.5	16.9
A	HEALTH CARE PRP# (06/14/89)	NY-HCP	2	9180	22.28	2.86 U	MAR 2.96	29.88	2.1	15.5	10.1	9.6	34.1	13.3	274.3
B	HEALTH CARE REIT (06/14/89)	AS-HCN	4	6026	12.11	1.68 U	JUN 1.65 D	14.50X	3.8	22.1	8.8	11.6	19.7	13.6	87.4
C	HEALTHVEST # (06/14/89)	AS-HVT	2	11320	20.22	2.68 S	MAR 2.66	13.88X	-9.1	-20.7	5.2	19.3	-31.4	13.2	157.1
C	HLTH & REHAB PRP# (06/14/89)	NY-HRP	2	9998	8.77	1.12 S	JUN 1.17 U	9.00X	1.7	5.9	7.7	12.4	2.6	13.3	90.0
C	HMG/COURTLND PROP (10/28/88)	AS-HMG	1	1216	19.62	0.60	MAR -1.84	10.13	-2.4	-19.0	0.0	5.9	-48.4	-9.4	12.3
C	P-HOLLYWOOD PK RLTY (02/24/89)	OC-HTRFZ	1	3956	0.70	0.00	MAR -3.26	27.50	1.9	31.0	0.0	0.0	3828.6	-465.7	106.8
C	F-HOTEL INVESTORS# (12/23/88)	NY-HTO	1	12129	15.83	1.00 S	DEC 0.82	9.63X	8.2	4.1	11.7	10.4	-39.2	5.2	116.7
A	HRE PROPERTIES # (04/21/89)	NY-HRE	1	5989	24.89\$	1.80	JAN 1.79	22.63X	-1.3	5.2	12.6	8.0	-9.1	7.2	135.5
C	ICM PROP INVSTR # (06/23/89)	NY-ICM	3	5476	14.07	0.48 D	DEC 1.18	8.13X	-16.5	-14.5	6.9	5.9	-42.3	8.4	44.5
* F-INCOME OPP RLTY # (12/24/87)		AS-IOT	3	3692	16.52	0.60	SEP 0.40	8.63	-1.4	9.5	21.6	7.0	-47.8	2.4	31.8
A	INTL INCOME PR# (04/28/89)	AS-IIP	1	15736	9.12\$	1.12 U	DEC 0.86	14.50	0.0	9.8	16.9	7.7	59.0	9.4	228.2
* INVG MTG SECS (04/21/89)		OC-INVG	4	682	27.84	1.40	MAR -1.74	9.25	-11.9	8.8	0.0	15.1	-66.8	-6.3	6.3
A	INT PROPERTY CO# (04/21/89)	NY-IRT	1	12140	9.07\$	1.16	MAR 1.23	14.75	3.5	-0.3	12.0	7.9	62.6	13.6	179.1
* F-JOHNSTWN/CONS RL# (09/09/88)		NY-JCT	3	12280	13.59	0.70	DEC -1.44	7.38	5.4	40.5	0.0	9.5	-45.7	-10.6	90.6
* KOGER EQUITY INC# (03/10/89)		AS-KE	1	13750	18.94	1.80	MAR 1.87	20.00X	4.2	6.7	10.7	9.0	5.6	9.9	275.0
C	L&N HOUSING (05/13/88)	NY-LNC	5	2200	19.42	1.64	JUN -1.14 D	13.88	0.9	-5.1	0.0	11.8	-28.6	-5.9	30.5
* LANDSING PACIFIC#		AS-LPF	1	6157	19.23	0.80	MAR 0.68	8.50	1.5	-4.2	12.5	9.4	-55.8	3.5	52.3
* LINCOLN MC RL FND (06/14/89)		AS-LRF	3	1998	13.25	1.40	MAR 1.45	8.00X	-7.2	-11.1	5.5	17.5	-39.6	10.9	16.0
* F-LINPRO SPED PRP (10/09/87)		AS-LPO	1	1856	9.06	0.00	MAR 0.05	1.88	-11.8	-28.6	37.5	0.0	-79.3	0.6	3.5
B	LOMAS & NET MTG (02/10/89)	NY-LOM	4	11704	21.41	2.55 U	JUN 0.28 D	16.38	-3.0	-9.0	58.5	15.6	-23.5	1.3	191.7
C	LOMAS MTG CORP (09/09/88)	NY-LMC	4	8700	20.28	2.00	JUN 2.17 D	19.50	8.3	18.2	9.0	10.3	-3.8	10.7	169.7
* MEDICAL PROPS # (06/14/89)		AS-MPP	2	2369	11.68	1.20	SEP 1.31	7.50X	-10.9	-1.6	5.7	16.0	-35.8	11.2	17.8
B	MEDITRUST # (06/14/89)	NY-MT	2	15721	15.85	2.12	MAR 2.01	18.38X	2.2	8.1	9.1	11.5	15.9	12.7	288.9
C	F-MELLON PART MTG (02/10/89)	OC-MPMTS	5	8645	9.18	0.92 S	MAR 0.78	7.38X	3.1	-1.7	9.5	12.5	-19.7	8.5	63.8
C	MERRY LAND & INV (09/09/88)	OC-MERY	3	9779	6.72	0.00	JUN 0.92 U	6.00	0.0	-20.0	6.5	0.0	-10.7	13.7	58.7
B	MGI PROPERTIES # (07/08/88)	NY-MGI	1	9425	17.71	1.12	MAY 1.59 D	15.38X	4.4	-12.8	9.7	7.3	-13.2	9.0	144.9
E	MONTGOMERY REIT # (01/27/89)	OC-MNRTS	3	1573	4.41	0.70	SEP 0.52	6.50	13.0	8.3	12.5	10.8	47.4	11.8	10.2
C	MSA REALTY CORP # (02/24/89)	AS-SSS	3	8647	7.33\$	0.60	MAR 0.56	9.38	2.7	19.0	16.7	6.4	27.9	7.6	81.1
B	MTG & RLTY TRST (02/24/89)	NY-MRT	3	10797	16.97	2.00 S	JUN 1.92 S	17.63X	4.3	3.7	9.2	11.3	3.9	11.3	190.3
B	MTG INVSTMT PLUS# (12/23/88)	AS-MIP	3	9020	8.42	0.80	MAR 0.77	7.50	0.0	3.4	9.7	10.7	-10.9	9.1	67.7
C	NATIONWIDE HLTH # (06/14/89)	NY-NRP	2	8195	20.22	1.00 S	MAR 2.29	14.63	12.5	24.5	6.4	6.8	-27.7	11.3	119.9
A	NEE PLAN RLY TR# (04/21/89)	NY-NPR	1	34190	8.53\$	1.00	JAN 0.87	17.75	10.1	11.8	20.4	5.6	108.1	10.2	606.9
* F-NOONEY RLTY TR#		OC-NRTI	1	867	16.63	0.32	MAR 0.25 U	8.50	-4.2	-2.9	34.0	3.8	-48.9	1.5	7.4
B	ONE LIBERTY PR# (05/23/89)	AS-OLP	2	2203	13.52	0.00	MAR 0.34	14.38	-0.9	0.9	42.3	0.0	6.3	2.5	31.7
A	PENN REITS (04/28/89)	AS-PEI	1	8199	10.08\$	1.68	FEB 1.68	23.50X	4.7	3.3	14.0	7.1	133.1	16.7	192.7
* PITTS & WVA RR (02/24/89)		AS-PW	2	1510	6.07	0.56	MAR 0.55	5.88	0.0	-6.0	10.7	9.5	-3.2	9.1	8.9
B	PRESIDNTL RL-A# (02/24/89)	AS-PDL.A	3	479	4.31	1.66	DEC 2.17	12.75	3.0	-8.1	5.9	13.0	195.8	50.3	6.1
B	PRESIDNTL RL-B# (02/24/89)	AS-PDL.B	3	2801	4.31	1.66	DEC 2.17	12.75	3.0	-8.9	5.9	13.0	195.8	50.3	35.7
A	PROPERTY TR AMER# (02/24/89)	NY-PTA	1	5061	10.50	0.84	MAR 0.91	10.75	7.5	10.3	11.8	7.8	2.4	8.7	54.4
B	F-PRU RL CAPITAL # (07/08/88)	NY-PRT	1	11135	1.40\$	0.00	---	0.00	1.13	-10.0	0.0	0.0	-19.6	0.0	12.5
B	F-PRU RL INCOME # (07/08/88)	NY-PRTPR	1	11135	8.00	0.68	MAR 0.68	6.50	-1.9	4.0	9.6	10.5	-18.8	8.5	72.4
* RAC MTG INVSTMT (09/23/88)		NY-RMR	4	14450	8.38	0.12 D	JUN 0.33 D	3.00X	-36.6	-63.1	9.1	4.0	-64.2	3.9	43.4
B	REALTY REFIN (02/24/89)	NY-RRF	4	1021	18.28	1.72	APR 1.72	15.75	8.6	10.5	9.2	10.9	-13.8	9.4	16.1
C	REALTY SOUTH (03/11/88)	AS-RSI	5	2098	11.28	0.68 S	MAR 0.46 D	6.38X	2.7	-39.3	13.9	10.7	-43.5	4.1	13.4
A	REIT OF CALIF# (03/11/88)	NY-RCT	1	7325	12.27	1.38	MAR 1.51	16.38X	0.6	3.1	10.8	8.4	33.5	12.3	119.9
* RESIDENTIAL MTG (02/10/89)		AS-RMI	4</												

RANK	NAME (REVIEW DATE)	EXCH/ SYMBOL	GROUP	SHARES (000)	BOOK VALUE	ANN DIV	-EARNINGS-- MON 12 MO	LAST PRICE	% CHANGE FROM JUN 21 JAN 1	P/E RATIO	% ANN YIELD	% PR TO BK	RETURN ON BK	MKT VAL MIL \$	
B	SIZELER PROF INV# (02/24/89)	NY-SIZ	1	3716	18.90	1.56 S	MAR 1.49 S	16.25	3.2	10.2	10.9	9.6	-14.0	7.9	60.4
C	STORAGE EQUITIES (10/14/88)	NY-SBQ	1	10943	14.63	1.40	MAR 1.02	13.13	1.9	16.7	12.9	10.7	-10.3	7.0	143.6
C	STRATEGIC MTG (05/13/88)	NY-STM	4	5465	18.46	1.28	JUN 1.44 D	14.50	13.7	17.2	10.1	8.8	-21.5	7.8	79.2
*	TIS MTG INVSTMT (09/23/88)	NY-TIS	4	8100	9.08	1.20	MAR 1.00	8.25X	-3.7	3.1	8.3	14.5	-9.1	11.0	66.8
C	F-TRAIL CROW REIT# (07/08/88)	NY-TCR	1	9075	10.96\$	1.26	MAR 1.26	6.25	8.7	-13.8	5.0	20.2	-43.0	11.5	56.7
A	UNIV HEALTH RLTY# (06/14/89)	NY-UHT	2	7047	13.97	1.44	JUN 1.59 U	14.00	5.7	17.9	8.8	10.3	0.2	11.4	98.7
B	USP RL EST INV# (07/08/88)	AS-UKT	1	3880	8.02\$	1.00 S	MAR 0.49	7.00X	5.3	-11.1	14.3	14.3	-12.7	6.1	27.2
A	UTD DOMINR RLY# (04/21/89)	OC-UDRT	1	10796	12.74\$	1.20	MAR 1.23	17.88X	1.0	-1.4	14.5	6.7	40.3	9.7	193.0
COMPANIES AND BUSINESS TRUSTS															
*	F-VNS HOTEL INVSTMT	AS-VHT	5	9863	8.75	0.90 S	MAR 0.70	5.75X	1.7	-11.5	8.2	15.7	-34.3	8.0	56.7
*	VMS S/T INCOME	AS-VST	4	6918	9.33	1.16 S	MAR 1.11	7.38X	2.2	-4.8	6.6	15.7	-21.0	11.9	51.0
*	VMS STRATEGIC LAND	OC-VLMS	5	11994	8.87	1.20 S	MAR 0.97	8.13X	12.3	10.2	8.4	14.8	-8.4	10.9	97.5
A	WASH RE (WRIT)# (04/21/89)	AS-WRE	1	15433	7.24\$	1.00	MAR 1.12	20.38	2.5	-3.0	18.2	4.9	181.4	15.5	314.4
*	WEDGESTONE FINCL (02/10/89)	NY-WDG	4	5795	6.15	0.00	MAR -2.24	2.25	-18.2	0.0	0.0	0.0	-63.4	-36.4	13.0
A	WEINGARTEN RLY# (04/21/89)	NY-WRI	1	13984	13.70\$	1.76	DEC 2.53	30.63	7.9	19.5	12.1	5.7	123.5	18.5	428.3
A	WESTERN INV RES (04/21/89)	AS-WIR	1	11969	13.30\$	1.34	DEC 1.39	20.00	6.7	12.7	14.4	6.7	50.4	10.5	239.4
ABRAMS INDS INC															
*	LP-AMER INS MTG 84	OC-AIMAZ	9	10000	19.38	1.50	DEC 2.18	15.13	-6.9	-1.6	6.9	9.9	-22.0	11.2	151.3
C	LP-AMER RE PARTNERS (07/14/89)	NY-ACP	8	14654	17.27	2.00	JUN 1.82 U	13.13X	-6.8	-13.2	7.2	15.2	-24.0	10.5	192.3
L	AMERICAN HOTEL (04/08/88)	NY-AHR	L	4920	17.81	8.00	JUN 0.95 D	14.75	0.9	12.4	15.5	54.2	-17.2	5.3	72.6
C	AMREP CORP (03/10/89)	NY-AXR	7	6609	10.18	0.00	APR 0.19 S	7.75	-4.6	0.0	40.8	0.0	-23.9	1.9	51.2
*	ANGELES CORP	AS-ANG	11	3282	5.46	0.00	MAR -0.39	8.75	25.0	52.2	0.0	0.0	60.3	-7.1	28.7
C	BAY FINCL CORP (06/10/88)	NY-BAY	8	3851	2.70\$	0.00	MAR -9.93	9.00	-5.3	-22.6	0.0	0.0	233.3	-367.8	34.7
C	LP-BURGER KING INV # (07/14/89)	NY-BKP	8	4635	17.59	1.80	MAR 1.81	15.13	1.7	14.2	8.4	11.9	-14.0	10.3	70.1
CALFED INC															
C	LP-CAL FED INC FTWRS (07/28/89)	NY-CFI	6	13020	7.71	1.00 S	DEC 0.27	7.38X	0.0	11.3	27.3	13.6	-4.3	3.5	96.0
C	CALPROP CORP	AS-CPP	7	4183	9.25	0.00	JUN 1.08 U	9.00	2.9	18.0	8.3	0.0	-2.7	11.7	37.6
C	CALTON INC (06/10/88)	NY-CN	7	23640	2.82	0.00	MAY 0.37 D	2.00	-20.0	-33.3	5.4	0.0	-29.1	13.1	47.3
*	CENTENNIAL GROUP (07/24/87)	AS-CBQ	10	26200	5.64	0.00	MAR 0.18	1.88	-11.8	-44.4	10.4	0.0	-66.8	3.2	49.1
A	CENTER CORP (05/17/89)	NY-CTX	6	14456	25.79	0.40	JUN 3.21 U	39.00	6.8	33.3	12.1	1.0	51.2	12.4	563.8
*	CHAMPION ENTPRS (03/10/89)	AS-CHB	12	7166	5.45	0.00	MAY -1.11 D	4.13	6.5	10.0	0.0	0.0	-24.3	-20.4	29.6
C	CHRISTIANA COS	NY-CST	7	5192	5.29	0.00	MAR -0.11	8.75	-2.8	40.0	0.0	0.0	65.4	-2.1	45.4
B	CLAYTON HOMES	NY-CHE	12	16151	5.04	0.00	MAR 0.94	8.63	-2.8	1.5	9.2	0.0	71.1	18.7	139.3
LP-CHOWLIN MTG AM-A															
*	COMMONWLTN MTG CO	OC-CMC	9	35000	0.19	0.00	MAR -1.14	0.50	-20.0	-75.0	0.0	0.0	163.2	-600.0	17.5
*	CONGRESS ST PROPS	OC-CSTP	10	5865	4.23	0.00	JAN 0.49	7.00	-9.7	143.5	14.3	0.0	65.5	11.6	41.1
C	CONTL RMS HOLDING	OC-COH	7	1090	12.43	0.00	FEB -0.56	6.13	2.1	-3.9	0.0	0.0	-50.7	-4.5	6.7
L	F-CONTL MTG&EQUITY (03/24/89)	OC-CNETS	L	3515	7.17	0.00	MAY 0.57 D	6.00	31.5	60.0	10.5	0.0	-16.3	7.9	21.1
B	COUNTRYWIDE CRDIT (02/24/89)	NY-CCR	9	11485	8.88	0.00	DEC -1.72	3.38	12.5	-20.6	0.0	0.0	-62.0	-19.4	38.8
D	COVINGTON DEVLPT	OC-COV	7	16745	6.48	0.28	MAY 0.73	8.88X	11.8	39.2	12.2	3.2	37.0	11.3	148.6
D	COVINGTON DEVLPT	OC-COV	7	13902	0.52	0.00	DEC 0.19	1.25	0.0	150.0	6.6	0.0	140.4	36.5	17.4
*	LP-CRI INS MTG INV	NY-CRM	9	9100	11.81	1.20 S	MAR 3.15	11.63X	0.6	-9.7	3.7	10.3	-1.6	26.7	105.8
DELTONA CORP															
D	DELTONA CORP	NY-DLT	7	5579	4.60	0.00	MAR -0.07	4.25	-5.6	-15.0	0.0	0.0	-7.6	-1.5	23.7
*	LP-EMERALD HOMES LP	NY-EHP	7	5225	6.17	0.80	JUN 0.83 D	6.63X	-4.2	-22.1	8.0	12.1	7.4	13.5	34.6
L	LP-EOK GRN ACRES LP# (07/28/89)	NY-EGA	8	10173	8.18\$	1.25	MAR 1.26	12.50X	2.5	-1.0	9.9	10.0	52.8	15.4	127.2
L	F-EOK RLY INV I # (02/24/89)	NY-EKR	L	7589	14.10	0.00	MAR 1.57	11.50	-2.1	7.0	7.3	0.0	-18.4	11.1	87.3
C	LP-EQUITABLE RE SC # (07/28/89)	NY-EQM	8	10700	8.15\$	1.04	MAR 0.63	8.50X	3.1	-4.2	13.5	12.2	4.3	7.7	91.0
D	EQUITEC FNCL GP (09/11/87)	NY-EPG	11	4952	2.27	0.00	DEC -3.41	1.88	-6.3	-28.6	0.0	0.0	-17.4	-150.2	9.3
C	FAIRFIELD COMM (03/10/89)	NY-FCI	7	10930	9.71	0.00	MAR 0.29	6.25	-3.8	2.0	21.6	0.0	-35.6	3.0	68.3
A	FED NATL MTG (02/10/89)	NY-FNM	9	78662	26.52	1.28 S	JUN 7.90 U	97.50X	10.4	92.1	12.3	1.3	267.6	29.8	7669.5
FINE RMS INTRNL (07/28/89)															
C	LP-FINE RMS INTRNL (07/28/89)	NY-FRI	11	7785	5.94	2.25	JUN 0.91 D	14.50X	-5.1	0.9	15.9	15.5	144.1	15.3	112.9
*	FIRST CAROLINA	OC-FCAR	10	699	32.00	0.50	MAR 1.31	32.00X	7.5	8.5	24.4	1.6	0.0	4.1	22.4
A	FLEETWOOD ENTER (03/10/89)	NY-FLE	12	22908	16.88	0.76	APR 3.06	26.00X	-1.6	3.5	8.5	2.9	54.0	18.1	595.6
B	FOREST CITY-A# (03/10/89)	AS-FCE.A	8	4059	28.25	0.42	JAN 3.19	55.88X	7.9	39.3	17.5	0.8	97.8	11.3	226.8
B	FOREST CITY-B# (03/10/89)	AS-FCE.B	8	3890	28.25	0.36	JAN 3.19	56.75X	9.5	37.2	17.8	0.6	100.9	11.3	220.8
C	LP-FORUM RET FPD UM# (06/14/89)	AS-FYL	8	6381	9.21\$	1.35	DEC 0.38	4.38X	-12.3	-28.6	11.5	30.9	-52.5	4.1	27.9
*	FPA CORP	AS-FPL	7	4011	8.78	0.00	MAR -2.45	3.63	-6.5	-6.5	0.0	0.0	-58.7	-27.9	14.5
C	GENERAL DEVLPT (03/10/89)	NY-GDV	6	8496	18.43	0.00	MAR 0.38	13.50	0.9	6.9	35.5	0.0	-26.7	2.1	114.7
GENERAL HOMES															
D	GENERAL HOMES	NY-GHO	6	15009	-8.91	0.00	MAR -11.52	0.88	-22.2	75.0	0.0	0.0	0.0	0.0	13.1
A	LP-GOULD INVSTRS LP#	AS-GLP	8	1075	19.76	0.00	DEC 2.77	58.50	-2.5	19.4	21.1	0.0	196.1	14.0	62.9
C	GRUBB & ELLIS CO (06/10/88)	NY-GRE	11	16132	5.05	0.00	JUN 0.09 D	4.88	-9.3	21.9	54.2	0.0	-3.5	1.8	78.6
*	HAMMOND CO	OC-HCO	9	2041	5.00	0.10	MAR -0.52	4.13	-10.8	37.5	0.0	2.4	-17.5	-10.4	8.4
B	HOVNIAN ENTR (05/17/89)	AS-HOV	7	20848	5.75	0.00	MAY 1.19 D	10.88	8.8	64.2	9.1	0.0	89.1	20.7	226.7
*	INDIANA FNCL INV	OC-IYII	8	963	12.57	0.00	MAR 0.63	7.25	11.5	23.4	11.5	0.0	-42.3	5.0	7.0
D	INTEGRATED RESC (02/10/89)	NY-IRE	11	7420	18.81	0.00	MAR 1.73	2.63	-34.4	-81.1	1.5	0.0	-86.0	9.2	19.5
B	LP-INTERSTATE GEN CO (02/24/89)	AS-IGC	8	9900	3.49	0.72	MAR 1.05	7.38	-3.3	13.5	7.0	9.8	111.3	30.1	73.0
INTL AMER HOMES															
*	INTL AMER HOMES	OC-HOME	7	7947	3.94	0.00	MAR 0.53	2.00	0.0	33.3	3.8	0.0	-49.2	13.5	15.9
B	J M PETERS CO INC (05/17/89)	AS-JMP	7	13980	8.21	0.00	MAY 2.64	11.13	4.7	29.0	4.2	0.0	35.5	32.2	155.5
L	JME REALTY	OC-JMBRS	L	1423	13.52	0.35 L	FEB 2.73	10.50X	8.5	-7.9	3.8	3.3	-22.3	20.2	14.9
A	K&B HOME CORP (05/17/89)	NY-KBH	6	27298	8.75	0.30	MAY 2.07	17.50	-3.4	105.9	8.5	1.7	100.0	23.7	477.7
A	KOGER PROPS# (03/10/89)	NY-KOG	8	25440	9.67	2.80	MAR 2.79	26.25X	-3.3	5.5	9.4	10.7	171.5	28.9	667.8
D	LP-LA QUINTA MTR INV# (07/14/89)	NY-LQP	8	3975	16.40\$	2.00	DEC 1.26	9.88	12.9	-13.2	7.8	20.3	-39.8	7.7	39.3
C	LANSHARK LAND (11/18/88)	AS-LML	10	7989	4.91	0.40 S	MAR -0.75	20.75X	-3.6	3.1	0.0	1.9	322.6	-15.3	165.8
C	LEISURE+TECH (05/26/89)	NY-LVK	7	5408	5.20	0.00	MAR -0.11	4.75	-15.6	22.6	0.0	0.0	-8.7	-2.1	25.7
LENNAR CORP															
A	LENNAR CORP (05/17/89)	NY-LEN	6	6608	23.32	0.24 S	MAY 2.78 U	23.13	5.1	31.2	8.3	1.0	-0.8	11.9	152.8
*	LOAN AMER FNCL-B	OC-LAFCB	9	1987	7.99	0.00	MAR 0.76	5.75	9.5	21.1	7.6	0.0	-28.0	9.5	11.4
C	LOHAS FINANCIAL (02/10/89)	NY-LFC	9	29970	8.35	0.72	MAR								

RANK	NAME (REVIEW DATE)	EXCH/ SYMBOL	GROUP	SHARES (000)	BOOK VALUE	ANN DIV	-EARNINGS-- MON 12 MO	LAST PRICE	% CHANGE JUN 21	FROM JAN 1	P/E RATIO	% ANN YIELD	% PR TO BK	RETURN ON BK	MKT VAL MIL \$
B	LP-NVR L.P. (05/17/89)	AS-NVR	6	25341	4.26	0.80	U MAR 1.31	7.00X	1.1	19.1	5.3	11.4	64.3	30.8	177.4
B	OAKWOOD HOMES	NY-OH	12	5201	9.67	0.08	S MAR 0.03	6.75	-5.3	-1.8	225.0	1.2	-30.2	0.3	35.1
B	ORIGLE HOMES-A (05/26/89)	AS-OHC.A	7	1933	13.52	0.55	JUN 2.15 D	11.25	-4.3	11.1	5.2	4.9	-16.8	15.9	21.7
B	ORIGLE HOMES-B (05/26/89)	AS-OHC.B	7	1924	13.52	0.60	JUN 2.15 D	11.50	1.1	16.5	5.3	5.2	-14.9	15.9	22.1
*	PAGESEITER HOMES	OC-PAGE	7	1542	7.45	0.00	MAR -0.66	3.75	-11.8	-16.7	0.0	0.0	-49.7	-8.9	5.8
*	PARKWAY COMPANY	OC-PKWY	10	1460	26.22	0.80	S MAR 0.09	16.00	0.0	0.0	177.8	5.0	-39.0	0.3	23.4
*	PATTEN CORP	NY-PAT	7	17016	4.99	0.12	S MAR 0.50	4.13X	23.1	10.0	8.3	2.9	-17.3	10.0	70.2
B	FERRINI INV FR# (03/24/89)	AS-PNV	8	3878	0.15\$	0.60	MAR 1.66	18.50	8.8	13.0	11.1	3.2	12233	1106.7	71.7
C	PHM CORP (05/26/89)	NY-PHM	6	24768	10.68	0.12	MAR 1.57	16.13	-8.5	44.9	10.3	0.7	51.0	14.7	399.4
C	LP-PRIME MTR INN LP# (07/14/89)	NY-PMP	8	4000	19.17\$	2.04	S MAR 2.38	15.25X	2.5	-4.7	6.4	13.4	-20.4	12.4	61.0
L	PROPERTY CAPITAL (08/26/88)	AS-PCT	1	10565	14.27	0.34	APR 1.89	17.88	0.7	-13.9	9.5	1.9	25.3	13.2	188.8
D	FUNTA GORDA	AS-PGA	7	2905	-2.43	0.00	DEC -0.99	1.25	-9.1	-52.4	0.0	0.0	0.0	0.0	3.6
C	READING CO (11/25/88)	OC-RDGC	8	4971	8.70	0.00	MAR 2.80	13.38	-1.8	13.8	4.8	0.0	53.7	32.2	66.5
C	LP-RED LIONS INNS # (07/14/89)	AS-RED	8	4349	17.12\$	2.10	U MAR 1.63	17.13X	2.3	16.1	10.5	12.3	0.0	9.5	74.5
*	LP-RETIREMENT LIV MTG	OC-RLIVZ	9	1264	22.72	2.16	MAR 1.91 D	11.00	-25.4	-33.3	5.8	19.6	-51.6	8.4	13.9
*	ROCKWOOD NATL	PS-RNC	7	9824	2.41	0.00	MAR -0.35 D	1.13	12.5	-30.8	0.0	0.0	-53.3	-14.5	11.1
A	ROUSE CO# (03/10/89)	OC-ROUS	8	47876	5.86\$	0.56	MAR 0.76 D	28.25	-2.6	15.3	37.2	2.0	382.1	13.0	1352.5
A	RYLAND GROUP (05/17/89)	NY-RTL	6	12889	13.37	0.60	JUN 3.00 D	22.25X	6.7	7.9	7.4	2.7	66.4	22.4	286.8
*	SANTA FE PACIFIC (07/10/87)	NY-SFX	10	157602	4.27	0.00	JUN -1.92 D	21.88	-5.9	26.8	0.0	0.0	412.3	-45.0	3447.5
C	LP-SHOPCO LAUREL CTR# (07/14/89)	AS-LSC	8	4660	8.16\$	1.10	DEC 1.11 U	9.82X	5.5	2.6	8.9	11.1	21.0	13.6	46.0
B	SKYLINE CORP	NY-SKY	12	11217	13.24	0.48	S FEB 1.46	16.75	-1.5	8.1	11.5	2.9	26.5	11.0	187.9
B	VJ-SOUTHWEST CORP (07/14/89)	NY-SM	10	45117	-18.87	0.00	MAR -28.99	0.28	-43.8	-82.7	0.0	0.0	0.0	0.0	12.7
D	LP-SOUTHWEST RLTY# (12/09/88)	AS-SWL	8	3442	5.66\$	0.00	DEC 0.15	0.88	7.6	7.6	5.8	0.0	-84.5	2.7	3.0
*	STARRETT HOUSING	AS-SHO	7	6430	4.70	0.00	MAR 0.71	7.25	-9.4	20.8	10.2	0.0	54.3	15.1	46.6
A	LP-STD PACIFIC L.P. (05/17/89)	NY-SFF	6	27049	7.78	1.80	S JUN 3.63 U	18.00	5.9	50.0	5.0	10.0	131.4	46.7	486.9
*	TIERCO GF INC	OC-TIER	8	2126	-2.49	0.00	MAR -10.74	1.00	0.0	-78.9	0.0	0.0	0.0	0.0	2.1
C	TOLL BROS (05/28/89)	NY-TOL	6	29561	2.82	0.00	APR 0.62	5.00	5.3	5.3	8.1	0.0	106.6	25.6	149.8
B	LP-UDC-UNIVRSL DEV (05/17/89)	NY-UDC	7	9364	8.67	2.40	JUN 4.17 U	25.13	14.9	34.0	6.0	9.6	187.8	48.1	235.3
*	UNICORP AMER (07/10/87)	AS-UAC	10	17300	8.49	0.30	MAR -0.56	5.00	-9.1	-13.0	0.0	6.0	-41.1	-6.6	86.5
C	UNION VALLEY CORP	AS-UVC	7	4759	4.73	0.00	MAR -0.24	6.75	0.0	-11.5	0.0	0.0	42.7	-5.1	32.1
C	US HOME CORP (05/17/89)	NY-UH	6	39901	4.43	0.00	JUN 0.08 D	1.53	-13.3	-23.5	20.3	0.0	-63.3	1.8	64.8
*	LP-US REALTY TRUS#	OC-USRLZ	8	1222	14.99	2.04	DEC 2.11	7.75	0.0	3.3	3.7	26.3	-48.3	14.1	9.5
L	VINLAND PROPERTY	OC-VIPTS	L	5966	2.54	0.00	FEB -2.20	0.25	-33.3	-77.8	0.0	0.0	-90.2	-86.6	1.5
*	LP-VMS MORTGAGE INV	OC-VMLPZ	9	7629	9.28	1.08	MAR 1.29	7.50X	3.6	1.7	5.8	14.4	-19.2	13.9	57.2
C	WASHINGTON CORP	PH-WAC.X	7	1834	5.83	0.25	MAR 1.32	6.38	-5.6	-3.8	4.8	3.9	9.3	22.6	12.0
C	WEBB (DEL) CORP (03/10/89)	NY-WBB	10	9351	6.60	0.00	MAR -1.60	11.50	8.2	-25.2	0.0	0.0	74.2	-24.2	107.5
L	WELLS FARGO M&E (05/13/88)	NY-WFM	L	6730	15.64	1.50	MAR -1.52	19.13	3.4	11.7	0.0	7.8	22.3	-9.7	128.7
C	LP-WINTROP INS MTG	AS-WMI	9	3868	12.52	1.32	MAR 1.36	12.63X	2.6	5.2	9.3	10.5	0.8	10.9	48.8
D	WRITER CORP	OC-WRTC	7	4118	0.54	0.00	DEC -4.26	0.59	-9.5	-5.0	0.0	0.0	10.0	-788.9	2.4

COMPARATIVE REALTY STOCK GROUP AVERAGE 07/26/89

GROUP NUMBER & NAME	DIV	NON-DIV	TOTAL	SHARE (000)	BOOK VALUE	ANNUAL DIV	EARN ANN	LAST PRICE	-% CHANGE JUN 21	FROM JAN 1	P/E RATIO	ANNUAL YIELD	% PR TO BK	RETURN ON BK	MARKET VAL (000)
1 PROPERTY REITS	39	5	44	8541	11.56	0.99	0.92	14.63	1.2	3.6	15.8	6.8	26.6	8.0	6116.5
2 LEASEBACK REITS	12	1	13	6662	14.25	1.47	1.66	13.93	1.7	7.7	8.4	10.5	-2.2	11.6	1417.7
3 PROP & MTG COMB REITS	13	1	14	5613	11.02	1.09	1.20	10.32	-0.1	-5.6	8.6	10.5	-6.4	10.8	789.4
4 MORTGAGE REITS	19	4	23	7925	12.48	1.15	0.91	9.38	-0.2	-5.4	10.3	12.3	-24.9	7.3	1501.1
5 PARTICIPATING MTG REITS	9	0	9	11949	11.28	1.13	0.60	9.47	3.5	-6.4	15.7	11.9	-16.1	5.3	1218.0
REIT AVERAGE			103	8066	12.01	1.11	1.02	12.33	1.0	1.7	12.1	9.0	2.7	9.3	11042.6
6 MAJOR HOMEBUILDERS	7	5	12	20639	9.99	0.36	0.46	13.85	1.7	30.1	30.1	2.6	38.7	4.6	2923.0
7 OTHER BLDG/DEVELOPERS	7	21	28	7408	6.11	0.18	0.39	6.82	1.2	12.1	17.6	2.7	11.6	6.4	1389.8
8 INCOME PROP BLDG/OWNR	18	6	24	5256	11.06	1.00	0.46	17.18	2.1	11.4	37.5	5.8	55.4	4.1	3698.1
9 MORTGAGE BANKER/FINANCE	9	3	12	15844	11.21	0.50	1.54	15.79	2.0	28.4	10.3	5.1	40.9	13.7	8509.6
10 DIVERSIFIED RLTY&HOLDING	8	5	13	39301	10.51	0.42	-1.83	23.20	6.8	17.0	0.0	1.8	120.7	-17.4	17104.1
11 RLTY SVCS/SYNDICATORS	1	4	5	7914	7.51	0.45	-0.21	6.53	-3.1	-19.7	0.0	6.9	-13.1	-2.9	249.0
12 MANUFACTURED HOUSING	3	3	6	11630	8.67	0.22	0.66	10.48	-1.9	3.3	15.3	2.1	20.8	7.6	991.9
OTHER REALTY STOCKS AVERAGE			100	14756	9.17	0.26	0.25	13.56	2.6	16.1	54.2	3.8	47.9	5.7	34865.4
L LIQUIDATING COMPANIES	5	4	9	7853	11.77	1.21	-0.19	9.96	2.6	-1.8	NC	NC	-15.4	NC	665.7
OVERALL AVERAGE			212	11362	10.61	0.82	0.64	12.94	1.8	8.7	20.1	6.3	21.9	7.7	46573.8
DOW JONES INDUSTRIALS							234.40	2613.05	6.0	20.5	11.1	3.5			
STANDARD & POOR'S 500							24.96	338.05	5.5	21.7	13.5	3.3			
DOW JONES UTILITIES							10.97	217.18	5.9	16.6	19.8	6.9			

SYMBOLS & ABBREVIATIONS

RANKINGS: "A" (highest) to "E" (lowest). * = Not Ranked. Z = Audit or affiliates involved in pending transaction. New EPS or Dividend: U=Up, D=Down, S=Unchanged, I=Initial, # = Net Cash Flow (EPS plus noncash charges less mortgage payments). @=Gross Cash Flow. Book value for cash flow entities includes accum. depreciation. Last bid prices used for OTC. P=Paired stock. S=Current appraised value reported see p. 3. F=Finite life REIT. LP=Limited partnership. L=Liquidating. VJ=In bankruptcy reorganization.

NAME CHANGE: Consolidated Capital Income Trust to National Income Realty Trust; Consolidated Capital Realty Investors to Vinland Property Trust; Consolidated Capital Special Trust to Continental Mortgage and Equity Trust. DELETED: Farragut Mortgage Co.; Southland Financial. MERGED: B-B Real Estate Investors with California REIT. ADJUSTED: Abrams Inds. 4-for-3 split paid 6/30/89.